
Career Launcher Infrastructure Private Limited

Statutory Audit for the year
ended March 31, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Career Launcher Infrastructure Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Career Launcher Infrastructure Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;



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- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

PraNav Jain

PraNav Jain

Partner

Membership No.098308



Place: New Delhi

Date: July 28, 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Career Launcher Infrastructure Private Limited on the financial statements for the year ended March 31, 2016]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The Company does not hold any inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) The Company has granted unsecured loan to party covered in the register maintained under Section 189 of the Act.
 - (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
 - (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated and thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.
 - (c) In respect of the aforesaid loans, as the schedule of repayment of principal has not been stipulated, we are unable to comment whether there is any overdue amount of loans granted to party listed in the register maintained under Section 189 of the Act.
- (iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and securities. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the products/ activities of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including, income tax, service tax, cess and any other material statutory dues applicable to it, however, there have been slight delays in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

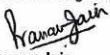


HARIBHAKTI & CO. LLP

Chartered Accountants

- (b) According to the information and explanation given to us, there are no dues with respect to income tax, service tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions. There are no debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised. The Company has not raised money by way of public issue offer.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, the Company has not paid/provided for any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048


Pranav Jain
Partner
Membership No. 098308

Date: July 28, 2016
Place: New Delhi



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Career Launcher Infrastructure Private Limited on the financial statements for the year ended March 31, 2016]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Career Launcher Infrastructure Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the



maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

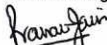
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Pranav Jain

Partner

Membership No.098308



Place: New Delhi

Date: July 28, 2016

Career Launcher Infrastructure Private Limited
Balance Sheet as at March 31, 2016

		(Amount in ₹)	
	Note	March 31, 2016	March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,484,680	2,484,680
Reserves and surplus	4	207,042,716	220,644,957
		<u>209,527,396</u>	<u>223,129,637</u>
Non-current liabilities			
Long-term borrowings	5	181,857,989	203,310,735
		<u>181,857,989</u>	<u>203,310,735</u>
Current liabilities			
Short-term borrowings	6	94,722,197	94,722,197
Other current liabilities	7	24,587,157	17,807,641
		<u>119,309,354</u>	<u>112,529,838</u>
TOTAL		<u><u>510,694,739</u></u>	<u><u>538,970,210</u></u>
ASSETS			
Non-current assets			
Fixed assets			
-Tangible assets	8	380,095,193	388,134,779
-Intangible assets	9	63,965	191,095
-Capital work-in-progress	22	6,312,785	6,312,785
Long-term loans and advances	10	20,375,425	18,637,129
		<u>406,847,368</u>	<u>413,275,788</u>
Current assets			
Trade receivables	11	11,559,346	12,571,313
Cash and bank balances	12	45,899	244,430
Short-term loans and advances	13	21,797,888	48,020,096
Other current assets	14	70,444,238	64,858,583
		<u>103,847,371</u>	<u>125,694,422</u>
TOTAL		<u><u>510,694,739</u></u>	<u><u>538,970,210</u></u>
Summary of significant accounting policies	2		

The accompanying notes form integral part of the financial statements.
As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 103523W / W100048

Pranav Jain
Pranav Jain

Partner

Membership No.: 098308



For and on behalf of Board of Directors of
Career Launcher Infrastructure Private Limited

Gautam Puri
Gautam Puri

Director
DIN: 00033548

Sujit Bhattacharyya
Sujit Bhattacharyya

Director
DIN: 00033613

Place: New Delhi
Date: July 28, 2016

Place: New Delhi
Date: July 28, 2016



Career Launcher Infrastructure Private Limited
Statement of Profit and Loss for the year ended March 31, 2016

	Note	March 31, 2016	March 31, 2015
(Amount in ₹)			
Income			
Revenue from operations	15	22,029,670	19,705,801
Other income	16	10,528,327	7,648,577
Total revenue		32,557,997	27,354,378
Expenses			
Employee benefits expenses	17	-	133,785
Finance cost	18	30,437,935	31,608,873
Depreciation and amortisation	19	9,981,240	11,773,538
Other expenses	20	5,741,063	4,854,356
Total Expenses		46,160,238	48,370,552
Loss before tax		(13,602,241)	(21,016,174)
Tax expense			
- Earlier years' tax adjustment		-	(680,084)
- Deferred tax charge/(Benefit)	27	-	(9,270,081)
Loss for the Year		(13,602,241)	(11,066,009)
Loss per equity share (in ₹)	24		
Nominal value of ₹ 10 each (Previous year ₹ 10 each)			
-Basic and diluted		(138.14)	(112.38)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.
As per our report of even date

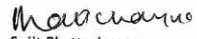
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 103523W / W100048

Pranav Jain
Partner
Membership No.: 098308



For and on behalf of Board of Directors of
Career Launcher Infrastructure Private Limited


Gautam Puri
Director
DIN: 00033548


Sujit Bhattacharyya
Director
DIN: 00033613

Place: New Delhi
Date: July 28, 2016

Place: New Delhi
Date: July 28, 2016



Career Launcher Infrastructure Private Limited
Cash Flow Statement for the year ended March 31, 2016

(Amount in ₹)

	Year ended 31, 2016	March 31, 2015
Cash flow from operating activities		
Net loss before tax	(13,602,241)	(21,016,174)
<i>Non- cash adjustment to reconcile profit before tax and prior period items to net cash flows</i>		
Depreciation and amortization	9,981,240	11,773,538
Loss on sale of Fixed Assets, net	89,372	-
Advance to suppliers written off	-	121,622
Forfeiture of advance received	(5,350,000)	-
Interest expense on term loan from bank	30,437,524	31,605,158
Interest income on income tax refund	-	(332,210)
Interest income	(5,177,369)	(7,294,623)
	16,378,526	14,857,311
Movement in assets and liabilities, net		
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Long-term loans and advances	1,084,000	52,784
Trade receivables	1,011,967	3,356,194
Short-term loans and advances	(1,272,231)	(264,438)
Other current assets	(926,023)	(6,785,514)
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Short-term provisions	-	(964)
Long-term provisions	-	(54,195)
Other current liabilities	43,633	(333,116)
	(58,654)	(4,029,249)
Cash generated from operations	16,319,872	10,828,062
Less: taxes paid net of refund	(2,720,704)	3,436,406
Net cash generated from operations	13,599,168	14,264,468
Cash flow from investing activities		
Purchase of fixed assets including capital work in progress & capital advance	(1,948,437)	(8,586,489)
Proceeds from sale of fixed assets	115,000	2,331,993
Loans advanced to related parties (refer footnote)	(21,669,061)	(28,584,759)
Loans realised from related parties	49,163,500	43,270,000
Interest on loans to related parties	517,737	714,272
Interest on fixed deposit	-	151,904
Investments in bank deposits	-	(18,000,000)
Proceeds from bank deposits	-	18,000,000
Net cash generated from investing activities	26,178,739	9,296,921

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Career Launcher Infrastructure Private Limited
Cash Flow Statement for the year ended March 31, 2016

Continued from previous page

	(Amount in ₹)	
	Year ended 31, 2016	Year ended March 31, 2015
Cash flows from financing activities (refer footnote)		
Proceeds from short term borrowings	-	6,496,941
Repayment of short term borrowings	-	(250,000)
Repayment of Long Term borrowing	(9,538,914)	(2,150,351)
Interest paid	(30,437,524)	(31,605,158)
Net cash (used in) financing activities	(39,976,438)	(27,508,568)
Net (decrease) in cash and cash equivalents (A)	(198,531)	(3,947,179)
Cash and cash equivalents (Refer note 13)		
-Beginning of the year (B)	244,430	4,191,609
-End of the year (A+B)	45,899	244,430
Deposit with original maturity of more than three months	-	-
Cash and bank balances as per balance sheet (A+B)	45,899	244,430

Footnote:

Includes trade receivable amounting ₹ 21,111,061 (Previous year ₹ 22,037,946) converted into unsecured loans and other receivable amounting ₹ Nil (Previous year ₹ 146,812) converted into unsecured loans.

Summary of significant accounting policies (refer note 2)

- i. The notes referred above form an integral part of the financial statements.
- ii. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on "Cash Flow Statements" as notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

As per our report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 103523W / W100048

Pranav Jain
Partner
Membership No.: 098308



For and on behalf of Board of Directors of
Career Launcher Infrastructure Private Limited


Gautam Puri
Director
DIN: 00033548


Sujit Bhattacharyya
Director
DIN: 00033613

Place: New Delhi
Date: July 28, 2016

Place: New Delhi
Date: July 28, 2016



1. Background

Career Launcher Infrastructure Private Limited ("the Company") was incorporated in India on February 20, 2008 to provide various infrastructure facilities. The infrastructure facilities are under use of third party in accordance with the agreement entered by the company. The company is a 100% subsidiary of Career Launcher Education Infrastructure and Services Limited which is a subsidiary of CL Educate Limited, the Ultimate Holding Company.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year April 1, 2015 to March 31, 2016.

2. Summary of Significant Accounting Policies

(a) Basis of preparation

The Financial Statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(b) Current/non-current classification of assets/liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(c) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the reported date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision in accounting estimate is recognized prospectively in current and future periods.

(d) Tangible assets

Tangible fixed assets are stated at cost of acquisition net of CENVAT (wherever applicable), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Fixed assets retired from active use and held for disposal are stated at lower of book value and net realisable value as estimated by the Company and are shown separately in the financial statements under other current assets. Loss determined, if any, is recognised immediately in the Statement of Profit and Loss, whereas profit and sale of such assets is recognised only upon completion of sale thereof.



(e) *Intangible assets*

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Losses arising from the retirement of, and gain or loss arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the Statement of Profit and Loss.

(f) *Depreciation and amortisation*

Depreciation has been calculated on Straight Line Method based on the following useful lives, based on management estimates and which are equal to the lives specified as per schedule II to the Act.

Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard of tangible assets is provided for, up to the date of the sale, deduction or discard of tangible assets as the case may be.

Useful lives as per Schedule II to the Companies Act, 2013 are as under:-

Asset	Useful life in years
Tangible assets:	
Building	60
Building and leasehold improvements	3
Plant and Machinery	15
Furniture and Fixtures	8
Office Equipments	5
Vehicles	8
Computer Equipments	3
Intangible assets :	
Software	5

Amortization

Intangible assets are amortized over a period of 5 years on straight line method from the year of acquisition or validity of the license, whichever is earlier.

Amortization on addition to intangible assets is provided on pro-rata basis from the date the asset is ready/available for its intended use. Amortization on sale/deduction from intangible assets is provided for up to the date of deduction, as the case may be.

All intangible assets costing ₹ 5,000 or below are amortized in full by way of a one-time amortization charge.

(g) *Borrowing Costs*

Borrowing costs relating to acquisition or construction or production of assets which take substantial period of time to get ready for its intended use are included as cost of such assets to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.



(h) Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors as mentioned in Accounting Standard- 28 "Impairment of Assets". An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured.

Infrastructure Fee: Infrastructure fee is charged from different institutions on revenue sharing basis and is recognized on accrual basis over the year of rendering infrastructure facilities.

License Fee: License fee on account of grant of brand on non-exclusive basis is onetime fee charged from different schools is recognised on execution of the agreement.

Interest Income: Revenue from interest on inter-corporate loans and time deposits are recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates.

(j) Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as Short term employee benefits. Benefits such as salaries, bonus etc. are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

Long term employee benefits

i) Defined contribution plan:

The Company is not presently liable to contribute, deduct and deposit Provident Fund.

ii) Defined benefit plan: Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the Balance Sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the Statement of Profit and Loss. The Company contributes to a fund set by Life Insurance Corporation of India through employee group gratuity trust.

iii) Other long term employee benefits: Leave encashment

Benefits under the Company's leave encashment scheme constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary using Projected Unit Credit Method at the end of the year. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss.

(k) Tax Expense



Tax expense for the year comprising current tax, MAT credit and deferred tax is included in determining the net profit (loss) for the year.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty backed by convincing evidence of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(l) Leases

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease.

As lessee

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

As lessor

The assets given under operating lease are shown in the Balance Sheet under fixed assets and depreciated according to depreciation policy of the Company. The lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease period.

(m) Provision, contingent liabilities and contingent assets

Provision

Provisions are recognized when the Company has a present obligation as a result of past events and it is more likely that an outflow of resources will be required to settle the obligations and the amount has been reliably estimated. Such provisions are not discounted to their present value and are determined based on the management's estimation of the obligation required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect management's current estimates.

Contingent liabilities



A disclosure for a contingent liability is made where it is more likely than not that a present obligation or possible obligation may result in or involve an outflow of resources. When no present or possible obligation exists and the possibility of an outflow of resources is remote, no disclosure is made.

Contingent assets

Contingent assets are neither recorded nor disclosed in the financial statements.

(n) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity of three months or less.

(o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, except where the result would be anti-dilutive. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

(p) Material Events

Material Events occurring after Balance Sheet date are taken into cognizance.

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3. Share capital

The Company has two classes of shares i.e. equity shares and 0.01% optionally convertible non cumulative preference shares, both having a par value of ₹ 10 per share.

Particulars	(Amount in ₹)			
	March 31, 2016		March 31, 2015	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Authorised shares				
Equity shares of ₹ 10 each (previous year ₹ 10 each)	100,000	1,000,000	100,000	1,000,000
0.01% Optionally convertible non cumulative preference shares of ₹ 10 each (previous year ₹ 10 each)	200,000	2,000,000	200,000	2,000,000
Issued, subscribed and fully paid up shares				
Equity shares of ₹ 10 each (previous year ₹ 10 each)	98,468	984,680	98,468	984,680
0.01% Optionally convertible non cumulative preference shares of ₹10 each*	150,000	1,500,000	150,000	1,500,000
	248,468	2,484,680	248,468	2,484,680

The equity shares of the Company, aggregately 51%, out of total holding of Career Launcher Education Infrastructure and Services Limited, the holding company are pledged with HDFC Limited against sanctioned term loan of ₹ 280,000,000 (previous year ₹ 280,000,000).

a) Reconciliation of shares outstanding as at the beginning and at the end of the reporting period

Equity shares

Particulars	March 31, 2016		March 31, 2015	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	98,468	984,680	98,468	984,680
Outstanding at the end of the year	98,468	984,680	98,468	984,680

Preference shares

Particulars	March 31, 2016		March 31, 2015	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	150,000	1,500,000	150,000	1,500,000
Outstanding at the end of the year	150,000	1,500,000	150,000	1,500,000

b) Terms/rights attached to equity/preference shares

Equity shares

Voting

Each holder of equity shares is entitled to one vote per share held.

Dividends

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed.

Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.



Preference shares

Voting

The preference shares do not carry any voting rights.

Dividends

The Company declares and pays dividends in Indian rupees. Preference shares have preferential right of dividend over equity shares in event of declaration of dividend. These shares carry dividend rate of 0.01%. The dividend is payable only when the Company declares dividend during a particular financial year.

Terms of conversion/redemption

The preference shares are issued for a period of five years with an option of their conversion into equity shares. The price, rate and other terms of conversion/redemption will be mutually agreed upon at the time of redemption.

Liquidation

In the event of liquidation of the Company, the holders of OCNPS shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts and before payment to equity shareholders, if any. Such distribution amounts will be in proportion to the number of OCNPS held by the shareholders upto the extent of agreed redemption amount of such shares.

c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity and preference shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Equity Shares

Name of share holders	March 31, 2016			March 31, 2015		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
i. Career Launcher Education Infrastructure and Services Limited (Holding Company)	93,468	934,680	94.92	93,468	934,680	94.92

Preference Shares

Name of share holders	March 31, 2016			March 31, 2015		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
Career Launcher Education Infrastructure and Services Limited (Holding Company)	150,000	1,500,000	100.00	150,000	1,500,000	100.00

d) Details of shareholders holding more than 5% shares in the Company

Equity Shares

Name of share holders	March 31, 2016			March 31, 2015		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
i. Career Launcher Education Infrastructure and Services Limited (Holding Company)	93,468	934,680	94.92	93,468	934,680	94.92
ii. Satya Narayanan R. (as nominee of Career Launcher Education Infrastructure and Services Limited)	5,000	50,000	5.08	5,000	50,000	5.08

Preference Shares

Name of share holders	March 31, 2016			March 31, 2015		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
Career Launcher Education Infrastructure and Services Limited (Holding Company)	150,000	1,500,000	100.00	150,000	1,500,000	100.00

e) No class of shares have been allotted as fully paid up pursuant to contracts without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back during the period of five years immediately preceding the date of Balance sheet.



4. Reserves and surplus

4.1 Securities premium

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Opening balance	333,925,845	333,925,845
Closing balance (A)	333,925,845	333,925,845

4.2 Deficit in the Statement of Profit and Loss

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Opening balance	(113,280,888)	(101,008,815)
Add: Net (Loss) for the Year as per the Statement of Profit and Loss	(13,602,241)	(11,066,009)

Less: Adjustment pursuant to Schedule II of the Companies Act, 2013 (Refer Footnote)

	-	(1,206,064)
Closing balance (B)	<u>(126,883,129)</u>	<u>(113,280,888)</u>
Total reserves and surplus (A+B)	<u>207,042,716</u>	<u>220,644,957</u>

Footnote:

During the year ended March 31, 2015, pursuant to transitional provisions of schedule II in respect of fixed assets where the remaining useful life was "Nil" as on April 1, 2014, their carrying amount aggregating ₹ 1,206,064 (net of deferred tax ₹ Nil) had been adjusted against the opening reserves.

5. Long term borrowings

	(Amount in ₹)			
	Non-current portion		Current maturities	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Term loans, secured				
- From financial institutions [note (i)]	181,857,989	203,310,735	21,452,746	9,538,914
Amount disclosed under the head "other current liabilities" (refer note 7)	-	-	(21,452,746)	(9,538,914)
Total	<u>181,857,989</u>	<u>203,310,735</u>	<u>-</u>	<u>-</u>

Note (i) The secured loans are secured by way of:

a) First equitable mortgage of land and building of projects

1. Indus World School (IWS), off. Bypass Road, Near County Walk Township, Jhalaria, Indore.

2. IWS - PlanetCity, Vill. Mujgahan, Old Dhamtari Road, Raipur.

3. IWS - Village Yeolawadi, Taluka Haveli, District Pune and construction thereon, present and future.

b) First charge on all receivables, present and future, arising from the above mentioned projects, from Indus World School located at 9, Sanjogitaganj, Near Mission Hospital, Chhawani, Indore and all other schools that are being run by Nalanda Foundation.

c) First charge on all bank accounts of the Company, including without limitation to the Project account/Trust and retention account/escrow accounts, Debt service reserve account and any other accounts wherever mentioned.

d) First charge on all receivables of the Company via an escrow mechanism.

e) First charge on all bank accounts of Career Launcher Education Infrastructure and Services Limited (CLEIS), the holding company, including without limitation to Project account/Trust and retention account/Escrow account, Debt service reserve account and any other accounts wherever mentioned.

f) First charge on all receivables of CLEIS, the holding company, via an escrow mechanism.

g) First charge on bank accounts of Nalanda Foundation related to all schools under Nalanda Foundation.

h) First charge on all receivables of Nalanda Foundation, via an escrow mechanism.

i) Pledge of 51% shares of the Company held by CLEIS, the holding company.

j) Corporate guarantee from CL Educate Limited (CL), the ultimate holding company, and CLEIS, the holding company.

k) Personal guarantees of Mr. Satya Narayanan R., Mr. Gautam Puri, Mr. Sujit Bhattacharyya, Mr. Sreenivasan R., Mr. Shiv Kumar Ramchandran and Mr. Nikhil Mahajan.

l) Undertaking from CLEIS, the holding company to the effect that: 1.) they will continue to hold at least 51% of equity share capital of the Company throughout the tenor of the loan 2.) to provide funds by way of additional equity/unsecured loans to the Company for project completion and meeting cost overruns of the project if any including interest and principal repayments.



m) Undertaking from CL Educate, the ultimate holding company, to the effect that: 1.) they will continue to hold at least 51% of equity share capital of CLEIS, the holding company, throughout the tenor of the loan 2.) to provide funds by way of additional equity/unsecured loans to the Company for project completion and meeting cost overruns of the project if any including interest and principal repayments.

n) Undertaking from Nalanda Foundation that payment to the Company towards payment of loans will be made prior to any other payments after day to day expenses are met.

o) Any other security of equivalent or higher amount that may be acceptable to the lender, HDFC Limited. There is no other security demanded by the lenders as at March 31, 2016 & March 31, 2015.

Rate of interest

Rate of interest shall be variable and linked to HDFC's Corporate Prime Lending Rate (CPLR) and shall be lower than the same by 325 basis points. The applicable interest rate will be reviewed/reset on monthly basis i.e. on first day of every calendar month.

Terms of repayment

The loan shall be repaid by way of 32 unequal quarterly installments with the first installment falling due on February 28, 2015.

6. Short term borrowings

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
- From related parties - unsecured [note (i)]	94,722,197	94,722,197
	<u>94,722,197</u>	<u>94,722,197</u>

Note (i) The Company has taken an interest free unsecured loan from Career Launcher Education Infrastructure and Services Limited, the holding company which is payable on demand or by February 26, 2017 whichever is earlier. As per the terms of the agreement the Holding Company may extend loan upto a maximum limit of ₹ 15 Crores.

7. Other current liabilities

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Current maturities of long-term borrowings (refer note 5)	21,452,746	9,538,914
Advance received against sale of land	-	5,350,000
Payable for expenses (refer note 30)	1,089,507	952,981
Payables for capital expenditure*	1,923,417	1,751,367
Other liabilities (represent statutory liabilities payable to government authorities)	121,487	214,379
	<u>24,587,157</u>	<u>17,807,641</u>

* Includes amount due to related parties (refer note 28 & 30).

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Career Launcher Infrastructure Private Limited
Notes to the financial statements for the year ended March 31, 2016

8. Tangible fixed assets

Current Year

Particulars	Gross block (at cost)		Accumulated depreciation		Net block	
	As at April 1, 2015	As at March 31, 2016	As at April 1, 2015	As at March 31, 2016	As at March 31, 2016	As at March 31, 2016
Own Assets						
Land*	105,323,520	-	18,105,689	-	-	105,323,520
Building	281,856,122	-	4,450,288	-	-	259,300,145
Building Improvement	8,059,650	-	7,902,781	-	-	143,069
Leasehold Improvement	2,941,241	310,218	1,647,727	689,317	-	914,415
Plant & machinery	2,616,216	-	634,349	160,330	-	1,821,537
Furniture & fittings	19,143,785	1,325,758	9,475,538	1,942,195	-	794,679
Office equipments	8,495,860	276,110	5,605,393	1,381,800	-	9,051,810
Vehicle	6,394,808	-	5,982,891	925,178	-	6,987,193
Computers	5,333,753	106,810	4,665,258	291,202	207,545	1,271,817
Total	440,164,955	2,018,896	52,030,176	9,854,110	207,545	61,676,741

* During the FY 2012-13 the Company has entered into agreements with various parties to sale lands located at Faridabad and Amritsar. The same have been shown as "Assets held for sale" under the head "Other Current Assets. (refer note 14)

Previous year

Particulars	Gross block (at cost)		Accumulated depreciation		Net block	
	As at April 1, 2014	As at March 31, 2015	As at April 1, 2014	As at March 31, 2015	As at March 31, 2015	As at March 31, 2015
Own Assets						
Land*	105,323,520	-	-	-	-	105,323,520
Building	281,856,122	-	4,450,920	-	-	263,750,433
Building Improvement	8,059,650	-	433,863	3,49,318	-	156,649
Leasehold Improvement	3,859,921	324,024	719,620	726,130	-	1,293,514
Plant & machinery	2,616,216	-	1,763,414	841,817	-	634,349
Furniture & fittings	18,333,912	2,336,634	473,925	160,424	-	1,981,867
Office equipments	9,189,360	276,110	8,230,517	1,770,121	-	9,668,247
Vehicle	6,394,808	-	3,275,192	1,977,315	634,545	2,890,467
Computers	5,515,424	222,125	3,054,722	938,719	281,659	3,993,441
Total	441,168,933	3,158,893	40,992,489	11,660,501	222,201	4,665,258
			40,992,489	11,660,501	1,206,064	52,030,176
						388,134,779

* During the FY 2012-13 the Company has entered into agreements with various parties to sale lands located at Faridabad and Amritsar. The same have been shown as "Assets held for sale" under the head "Other Current Assets. (refer note 14)

During the Year ended March 31, 2015, Pursuant to the transitional provisions of Schedule II in respect of fixed assets where the remaining useful life is "Nil" as on April 1, 2014, their carrying amount aggregating ₹ 1,205,064 (net of deferred tax ₹ Nil) has been adjusted against the opening reserves.



Career Launcher Infrastructure Private Limited
Notes to the financial statements for the year ended March 31, 2016

9. Intangible fixed assets

Current year

Particulars	Gross block (at cost)		Accumulated amortisation		(Amount in ₹) Net block As at March 31, 2016
	As at April 1, 2015	As at March 31, 2016	As at April 1, 2015	As at March 31, 2016	
Software	883,538	883,538	692,443	819,573	63,965
Total	883,538	883,538	692,443	819,573	63,965

Previous year

Particulars	Gross block (at cost)		Accumulated amortisation		(Amount in ₹) Net block As at March 31, 2015
	As at April 1, 2014	As at March 31, 2015	As at April 1, 2014	As at March 31, 2015	
Software	883,538	883,538	579,406	692,443	191,095
Total	883,538	883,538	579,406	692,443	191,095

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10. Long-term loans and advances

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Unsecured, considered good unless stated otherwise		
Capital advances	12,048,680	11,947,088
Security deposit	576,658	1,660,658
Advance income tax/tax deducted at source [net of provision of tax ₹ Nil (Previous year ₹ Nil)]	7,750,087	5,029,383
	<u>20,375,425</u>	<u>18,637,129</u>

11. Trade receivables*

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	293,465	2,396,967
Others	11,265,881	10,174,346
	<u>11,559,346</u>	<u>12,571,313</u>

* Includes amount due from related parties (refer note 28)

12. Cash and bank balances

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Cash and cash equivalents		
Balances with banks on current accounts	45,899	244,430
	<u>45,899</u>	<u>244,430</u>

13. Short term loans and advances

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Unsecured and considered good		
Loan to related party (refer note 28)	20,044,205	47,538,644
Prepaid expenses	191,256	137,205
Security Deposit	350,000	-
Gratuity fund assets (refer note 23)	12,427	11,469
Balance with Government Authorities	-	-
Other advances recoverable in cash or in kind		
-Advances to suppliers	1,200,000	332,778
	<u>21,797,888</u>	<u>48,020,096</u>

During the year, the Company has given unsecured loan to their group party for meeting their working capital requirement. Details of the same is as below:

Party name	Amount given	Rate of interest
Nalanda Foundation	21,640,561	15.05%
Total	21,640,561	

Year end balance of loan is as follows:

Company/Party name	March 31, 2016	March 31, 2015
Nalanda Foundation	20,044,205	47,538,644
Total	20,044,205	47,538,644



14. Other Current Assets

	<u>March 31, 2016</u>	<u>March 31, 2015</u>
		(Amount in ₹)
Interest accrued		
- on loans and advances to related parties (refer note 28)	20,150,511	15,490,879
- Other Receivable	7,711,537	6,785,514
Assets held for sale	42,582,190	42,582,190
	<u>70,444,238</u>	<u>64,858,583</u>

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15. Revenue from operations

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Sale of services		
-Infrastructure fees*	22,029,670	19,705,801
	<u>22,029,670</u>	<u>19,705,801</u>

* Includes fees for rendering infrastructure facilities to related parties (refer note 28)

16. Other income

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Interest income on		
- fixed deposits	-	151,904
- loan to related party	5,177,369	7,142,719
- income tax refund	-	332,210
Amount forfeited against sale of land	5,350,000	-
Others	958	21,744
	<u>10,528,327</u>	<u>7,648,577</u>

17. Employee benefits expenses

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Salaries, wages and bonus	-	52,491
Leave Encashment (refer note 23)	-	19,741
Gratuity (refer note 23)	-	57,281
Staff welfare expenses	-	4,272
	<u>-</u>	<u>133,785</u>

18. Finance Cost

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Interest expense on:		
- Term loan from financial institutions	30,437,524	31,605,158
- Interest on delayed payment of statutory dues	411	3,715
	<u>30,437,935</u>	<u>31,608,873</u>

19. Depreciation and amortisation expenses

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Depreciation of tangible fixed assets (refer note 8)	9,854,110	11,660,501
Amortisation of intangible fixed assets (refer note 9)	127,130	113,037
	<u>9,981,240</u>	<u>11,773,538</u>



20. Other expenses

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Rent (refer note 26)	845,994	780,766
Insurance	197,798	210,186
Legal & professional expenses (refer note 29)	2,957,236	1,821,199
Rates and taxes	524,078	513,646
Postage, telegraph & communication	738,080	635,973
Retainer-ship fee	-	107,360
Bank Charges	-	1,940
Advance to suppliers written off	-	121,622
Travelling and conveyance	-	48,435
Repair and maintenance		
-Buildings	90,941	344,235
-Vehicle Repair & maintenance	27,476	-
Loss on sale of assets	89,372	
Miscellaneous expenses	270,088	268,994
	<u>5,741,063</u>	<u>4,854,356</u>

21. Contingent liabilities and commitments

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	52,625,849	52,400,000

22. Capital work-in-progress

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Opening Balance	6,312,785	6,312,785
Balance at the year end	<u>6,312,785</u>	<u>6,312,785</u>

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23. Employee benefit obligations

A. Defined contribution plans:

The Company has not made any contribution towards Provident Fund and Employee's State Insurance as the same are currently not applicable to Company.

B. Defined employee benefits schemes:

Gratuity

As at March 31, 2016, there is no employee in the Company hence no provision in respect of gratuity has been ascertained. However, Trust has credited Interest income of ₹ 958 to gratuity fund on account of interest income received from Life Insurance Corporation of India for the year 2015-16.

C. Other long term employee benefits

Leave Encashment

As at March 31, 2016, there is no employee in the Company hence no provision in respect of leave encashment has been ascertained.

24. Loss per share

The calculation of loss per share has been made in accordance with Accounting Standard (AS) -20 "Earning per Share". A statement on calculation of Basic and Diluted loss per share is as under:

Loss per share	Reference	Units	March 31, 2016	March 31, 2015
Loss after tax	A		(13,602,241)	(11,066,009)
Weighted average no. of equity shares	B	Nos.	98,468	98,468
Add: Dilutive potential equity shares	C	Nos.	150,000*	150,000*
Number of equity shares - dilutive (of ₹ 10 each) for dilutive loss per share	D=B+C	Nos.	248,468	248,468
Basic loss per Share (A/B)		₹	(138.14)	(112.38)
Diluted loss per Share (A/B)		₹	(138.14)	(112.38)

* As the Company has incurred losses in the current year and previous financial years, the effect of potential equity shares is anti dilutive in nature and dilutive loss per share is equal to basic loss per share.

25. Segment reporting

Business segment

The disclosure as required under Accounting Standard (AS) - 17 "Segment Reporting" as notified under section 133 of the Companies Act read with rule 7 of the Companies (Accounts) Rules, 2014 has not been provided as the Company deals in one business segment namely development of school infrastructure and providing the same to third parties through various agreements.

Geographic segment

Since the company's activities / operations are primarily within India and considering the nature of services it deals in, the risks and returns across locations are same and as such there is only one geographical segment.



26. Leases

A. As lessee:

The Company is a lessee under various operating leases. The lease rentals charged during the year and maximum obligations on non-cancellable operating lease are payable as per the rentals stated in the respective agreements. Rental expenses for operating lease for the year ended March 31, 2016 and year ended March 31, 2015 were ₹ 845,994 and ₹ 780,766 respectively. Obligation on long term, non-cancellable operating lease are mentioned below:

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Not later than 1 year	894,739	845,987
Later than 1 year but not later than 5 years	37,429	931,029
Later than 5 years		

B. As lessor:

The Company has entered into a composite agreement with Nalanda Foundation & Career Launcher Education Infrastructure & Services Limited, the holding company, for the provision of infrastructure services related to run the schools. Further, agreement with Career Launcher Education Infrastructure & Services Limited has been terminated with effect from April 1, 2014. The amount attributable to provision of Infrastructure services cannot be realistically ascertained as the consideration is based on the number of students serviced during the year and number of students serviced may differ year to year. Therefore, disclosures required to be given by the lessor as per Accounting Standard 19 "Leases", if any, have not been given.

27. Deferred tax liability

In accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' the Company has evaluated the deferred tax asset / liability on the Balance Sheet date. On a prudence basis, deferred tax assets on unabsorbed losses and depreciation have been recognised only to the extent of deferred tax liabilities as below:

Particulars	(Amount in ₹)		
	March 31, 2016	Benefit/(Charge) for the year	March 31, 2015
Deferred tax assets and liabilities are attributable to the following:			
Deferred tax liabilities			
Depreciation	(36,707,977)	(1,782,470)	(34,925,507)
Total deferred tax liabilities	(36,707,977)	(1,782,470)	(34,925,507)
Deferred tax assets			
Unabsorbed losses (to the extent of Deferred tax liability)	36,707,977	1,782,470	34,925,507
Total deferred tax assets	36,707,977	1,782,470	34,925,507
Net deferred tax liability			

28. Related Party Disclosure

The Disclosure as required by the Accounting Standard -18 (Related Party Disclosure) are given below:

(a) List of related parties with whom transactions have taken place and relationships:

(i) Relationship : Ultimate Holding Company
Name of related party : CL Educate Limited



Career Launcher Infrastructure Private Limited
Notes to the Financial Statements for the year ended March 31, 2016

- (ii) Holding Company : Career Launcher Education Infrastructure and Services Limited
- (iii) Key Management Personnel ('KMP') and their relatives : Mr. Gautam Puri (Director)
 Mr. Sujit Bhattacharya (Director)
 Mr. Nikhil Mahajan
- (iv) Enterprise in which Key Managerial Personnel are able to exercise significant influence : Nalanda Foundation
 Career Launcher Infrastructure Private Limited
 Employee Group Gratuity Trust

(b) Details of related party disclosure are as follows:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
1. Infrastructure fee income		
Nalanda Foundation	22,029,670	19,705,801
2. Interest on loans		
Nalanda Foundation	5,177,369	7,142,719
3. Short Term Loan & Advances given		
Nalanda Foundation	558,000	6,400,000
4. Unsecured loan taken		
Career Launcher Education Infrastructure and Services Limited	-	6,496,941
5. Repayment of Unsecured Loan		
Career Launcher Education Infrastructure and Services Limited	-	250,000
6. Conversion of trade receivable into unsecured loan		
Nalanda Foundation	21,082,561	22,037,946
7. Conversion of other receivable into unsecured loan		
Nalanda Foundation	-	146,812
8. Transfer of security deposit from		
Nalanda Foundation	20,000	-
9. Transfer of security deposit to		
Career Launcher Education Infrastructure and Services Limited	179,500	-
10. Transfer of other current liability from		
Nalanda Foundation	13,500	-
11. Short Term Loan & Advances realized		
Nalanda Foundation	49,135,000	43,270,000
12. Reimbursement of Expenses to		
Nalanda Foundation	-	184,700
13. Reimbursement of Expenses from		
Career Launcher Education Infrastructure and Services Limited	30,48,473	4,303,159
Nalanda Foundation	-	37,888
CL Educate Limited	695,720	225,339
Kestone Integragated Marketing Service Private Limited	189,188	-
14. Transfer of fixed assets to		
Career Launcher Education Infrastructure and Services Limited	-	2,331,996
15. Liability transferred to (on account of bonus)		
Career Launcher Education Infrastructure and Services Limited	-	75,000



Career Launcher Infrastructure Private Limited
Notes to the Financial Statements for the year ended March 31, 2016

16. Transfer of Advance		
Bilakes Consulting Private Limited		1,600,000
17. Balance outstanding as at the year end		
Infrastructure and soft skill charges receivable		
Career Launcher Education Infrastructure and Services Limited	293,465	2,396,967
Nalanda Foundation	11,265,882	10,174,346
Interest accrued but not due on loans & advances given		
Nalanda Foundation	20,150,511	15,490,879
Other Receivables		
Career Launcher Education Infrastructure and Services Limited	7,271,631	6,560,155
CL Educate Limited	439,906	225,359
Unsecured loans		
Career Launcher Education Infrastructure and Services Limited	94,722,197	94,722,197
Short term loans and advances		
Nalanda Foundation	20,044,205	47,538,644
Payable for fixed assets		
CL Educate Limited		
Long term loans and advances	1,618,980	1,618,980
Bilakes Consulting Private Limited	16,00,000	
Corporate guarantee given by others for long term borrowings		
CL Educate Limited	280,000,000	280,000,000
Career Launcher Education Infrastructure and Services Limited	280,000,000	280,000,000

Note: The above transactions do not include the following securities given for long term borrowings: (refer footnote (i) of note 5)

- Undertakings given by CL Educate Limited, Career Launcher Education Infrastructure and Services Limited and Nalanda Foundation.
- Charges created on the bank accounts and all receivables of Career Launcher Education Infrastructure and Services Limited and Nalanda Foundation.
- First equitable mortgage of land and buildings of various projects undertaken by Nalanda Foundation.
- Pledge of 51% equity of the Company held by Career Launcher Education Infrastructure and Services Limited
- Personal guarantees of Mr. Satya Narayanan R., Mr. Gautam Puri, Mr. Sujit Bhattacharyya, Mr. Sreenivasan R., Mr. Shiv Kumar Ramachandran and Mr. Nikhil Mahajan.

29. Payment to auditors (excluding service tax) (refer note 20)

Statutory audit



		(Amount in ₹)	
		Year ended	Year ended
		March 31, 2016	March 31, 2015
		300,000	400,000
		<u>300,000</u>	<u>400,000</u>



Career Launcher Infrastructure Private Limited
Notes to the Financial Statements for the year ended March 31, 2016

30. Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006):

	(Amount in ₹)	
	Year ended March 31, 2016	Year ended March 31, 2015
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
Total	-	-

The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond appointed day each accounting year.

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.

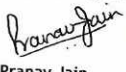
The amount of interest accrued and remaining unpaid at the end of each accounting year.

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.

31. The Company has reclassified/regrouped previous year figures where necessary to conform to the current period classification.

As per our report of even date

For Haribhakti Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 103523W / W100048


Pranav Jain
Partner
Membership No.: 098308



For and on behalf of Board of Directors of
Career Launcher Infrastructure Private Limited


Gautam Puri
Director
DIN: 00033548


Sujit Bhattacharyya
Director
DIN: 00033613

Place: New Delhi
Date: July 28, 2016

Place: New Delhi
Date: July 28, 2016

